



## County Payments Without SRS: PILT, Forest Service, and BLM O&C Payments

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The Secure Rural Schools and Community Self-Determination Act (SRS) has expired. Congress provided full-funding for Payments in Lieu of Taxes (PILT) for FY 2015. However, a two-year lag in the PILT formula means counties will not be compensated by PILT for the expired SRS payments until FY 2016. In FY 2015, counties will experience a significant decline in payments.

### Return to Revenue Sharing

Since 2001, SRS payments to counties made up for declining revenue sharing payments through the Forest Service 25% Fund and Bureau of Land Management Oregon and California (BLM O&C) 50% payments. Without SRS reauthorization, all counties will again receive a revenue sharing payment based on the value of annual commercial receipts on Forest Service and the BLM O&C lands.

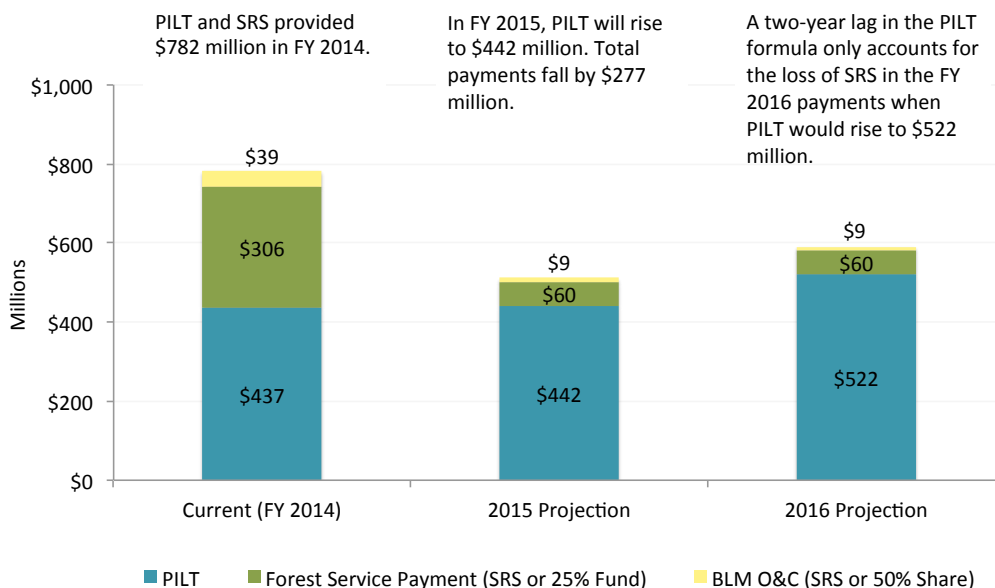
The SRS payment for FY 2013 totaled \$346 million. The projected 25% Fund and BLM O&C revenue sharing payments for the same year would have been \$60 million and \$9 million respectively, or \$282 million lower than SRS payments for that year.

### PILT Projections

PILT provides a safety net for counties, stabilizing and raising Forest Service payments to counties (the BLM O&C payments are exempt, meaning PILT cannot make up for the loss of these payments). PILT is permanently authorized but requires annual appropriations. PILT will make up for a portion of the declines in Forest Service payments, however a two year lag in the formula means PILT will not credit the decline in Forest Service payments until FY 2016.

Congress approved full-funding for PILT at \$442 million for FY 2015 (\$70 million in the National Defense Authorization Act and \$372 in the Continuing Resolution). In FY 2016, PILT full funding is \$522 million.

### County Payment Projections Without SRS



## County-Level Payment Projections

The Excel spreadsheet that accompanies this brief provides detailed county-by-county payment projections. The spreadsheet is available at: <http://headwaterseconomics.org/land/county-payments-research>.

### Counties in FY 2015 Projected to Experience the Largest Absolute Decline in County Payments

State	County	County Type	Total Current Payment (FY 2014 PILT, FY 2013 SRS)	FY 2015 PILT Projection	Revenue Sharing Payment Projection (FY 2013 Receipts)	Projected FY 2015 Total Payment	Difference From Current Payment	Change as a Percent of Local Budgets
OREGON	DOUGLAS COUNTY	Micropolitan	\$21,090,472	\$607,829	\$2,990,769	\$3,598,597	(\$17,491,875)	12.1%
OREGON	LANE COUNTY	Metropolitan	17,366,048	629,976	2,443,847	3,073,823	(\$14,292,224)	3.8%
OREGON	KLAMATH COUNTY	Micropolitan	10,540,302	807,356	783,546	1,590,902	(\$8,949,400)	7.8%
IDAHO	IDAHO COUNTY	Rural	\$9,272,445	\$1,652,379	\$252,223	\$1,904,602	(\$7,367,842)	46.6%
ALASKA	UNORGANIZED	Rural	\$6,923,581	\$0	\$2,744	\$2,744	(\$6,920,837)	NA
OREGON	JOSEPHINE COUNTY	Metropolitan	\$8,026,223	\$692,808	\$1,134,743	\$1,827,551	(\$6,198,671)	9.9%
OREGON	JACKSON COUNTY	Metropolitan	8,675,243	754,831	1,740,968	2,495,799	(\$6,179,444)	3.0%
OREGON	LINN COUNTY	Metropolitan	6,563,092	202,966	620,925	823,890	(\$5,739,201)	5.4%
OREGON	GRANT COUNTY	Rural	\$5,868,473	\$633,608	\$189,678	\$823,286	(\$5,045,188)	19.3%
MONTANA	LINCOLN COUNTY	Rural	\$5,469,749	\$631,139	\$499,532	\$1,130,671	(\$4,339,078)	16.2%
ARIZONA	COCONINO COUNTY	Metropolitan	5,971,562	1,713,163	362,968	2,076,130	(\$3,895,431)	1.4%
CALIFORNIA	SISKIYOU COUNTY	Rural	5,376,530	1,041,311	610,903	1,652,214	(\$3,724,316)	1.7%
WASHINGTON	SKAMANIA COUNTY	Metropolitan	\$4,138,533	\$304,082	\$181,267	\$485,349	(\$3,653,184)	13.3%
CALIFORNIA	TRINITY COUNTY	Rural	4,296,155	564,371	304,474	868,844	(\$3,427,311)	2.9%
OREGON	CURRY COUNTY	Micropolitan	4,079,267	248,385	461,177	709,562	(\$3,369,705)	9.7%
CALIFORNIA	PLUMAS COUNTY	Rural	3,929,323	424,445	395,531	819,976	(\$3,109,347)	2.4%
OREGON	LAKE COUNTY	Rural	\$3,883,239	\$1,143,299	\$196,692	\$1,339,991	(\$2,543,248)	13.3%
WASHINGTON	LEWIS COUNTY	Micropolitan	2,685,708	171,294	106,520	277,814	(\$2,407,894)	1.4%
NEW MEXICO	CATRON COUNTY	Rural	\$3,096,795	\$639,550	\$93,244	\$732,795	(\$2,364,000)	33.6%
IDAHO	VALLEY COUNTY	Rural	\$3,117,263	\$741,952	\$188,017	\$929,969	(\$2,187,294)	9.4%
IDAHO	LEMHI COUNTY	Rural	\$3,141,200	\$954,550	\$37,990	\$992,540	(\$2,148,660)	7.2%
OREGON	COOS COUNTY	Micropolitan	3,106,101	427,435	532,443	959,878	(\$2,146,223)	3.7%
IDAHO	CUSTER COUNTY	Rural	\$2,950,898	\$757,960	\$66,022	\$823,982	(\$2,126,916)	59.2%
ARIZONA	YAVAPAI COUNTY	Metropolitan	5,721,087	3,275,432	326,353	3,601,785	(\$2,119,303)	0.6%
IDAHO	SHOSHONE COUNTY	Rural	\$2,906,976	\$445,245	\$345,805	\$791,049	(\$2,115,926)	16.2%

On an absolute basis, Douglas County, Oregon would experience the single largest decline of all recipient counties, \$17.5 million. Oregon counties represent seven of the top ten counties with the largest drops in total payments. The relatively large declines are because the BLM O&C SRS payments are exempt from the PILT prior year payment formula. Now that payments are projected to fall, PILT will not rise in response.

### Counties in FY 2015 Projected to Experience the Largest Decline As a Share of Local Budgets (Based on 2007 Census of Governments Data)

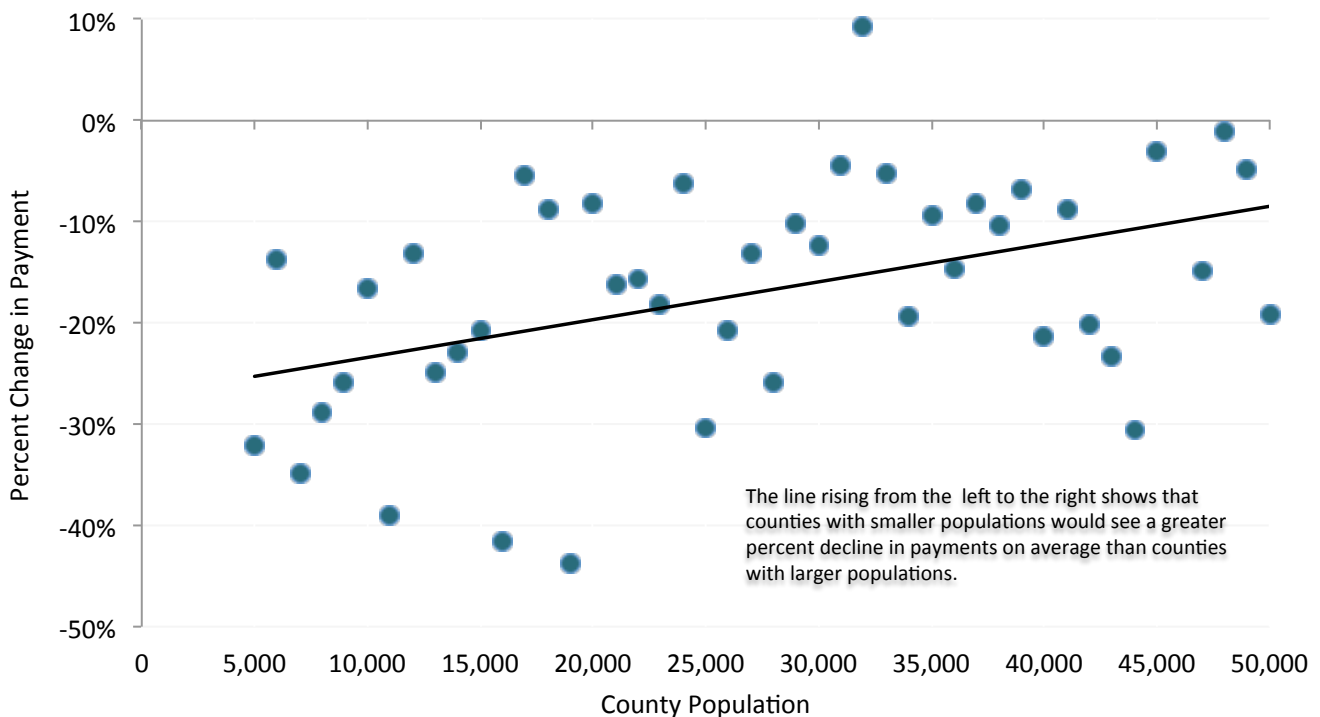
State	County	County Type	Total Current Payment (FY 2014 PILT, FY 2013 SRS)	FY 2015 PILT Projection	Revenue Sharing Payment Projection (FY 2013 Receipts)	Projected FY 2015 Total Payment	Difference From Current Payment	Change as a Percent of Local Budgets
IDAHO	CUSTER COUNTY	Rural	\$2,950,898	\$757,960	\$66,022	\$823,982	(\$2,126,916)	59.2%
IDAHO	IDAHO COUNTY	Rural	\$9,272,445	\$1,652,379	\$252,223	\$1,904,602	(\$7,367,842)	46.6%
NEW MEXICO	CATRON COUNTY	Rural	\$3,096,795	\$639,550	\$93,244	\$732,795	(\$2,364,000)	33.6%
OREGON	GRANT COUNTY	Rural	\$5,868,473	\$633,608	\$189,678	\$823,286	(\$5,045,188)	19.3%
IDAHO	SHOSHONE COUNTY	Rural	\$2,906,976	\$445,245	\$345,805	\$791,049	(\$2,115,926)	16.2%
MONTANA	LINCOLN COUNTY	Rural	\$5,469,749	\$631,139	\$499,532	\$1,130,671	(\$4,339,078)	16.2%
MONTANA	MINERAL COUNTY	Rural	\$1,428,138	\$232,071	\$74,022	\$306,093	(\$1,122,045)	14.8%
IDAHO	ELMORE COUNTY	Micropolitan	\$3,273,332	\$2,311,756	\$83,571	\$2,395,327	(\$878,005)	13.4%
OREGON	LAKE COUNTY	Rural	\$3,883,239	\$1,143,299	\$196,692	\$1,339,991	(\$2,543,248)	13.3%
WASHINGTON	SKAMANIA COUNTY	Metropolitan	\$4,138,533	\$304,082	\$181,267	\$485,349	(\$3,653,184)	13.3%
COLORADO	DOLORES COUNTY	Rural	\$611,166	\$151,120	\$30,093	\$181,213	(\$429,953)	12.8%
OREGON	HARNEY COUNTY	Rural	\$3,252,374	\$1,077,967	\$61,566	\$1,139,533	(\$2,112,841)	12.5%
OREGON	DOUGLAS COUNTY	Micropolitan	\$21,090,472	\$607,829	\$2,990,769	\$3,598,597	(\$17,491,875)	12.1%
MONTANA	SANDERS COUNTY	Rural	2,556,941	331,525	256,380	587,906	(\$1,969,036)	10.5%
MONTANA	BEAVERHEAD COUNTY	Rural	\$2,057,649	\$741,470	\$55,153	\$796,623	(\$1,261,026)	10.3%
IDAHO	BOISE COUNTY	Metropolitan	1,427,517	386,113	83,866	469,978	(\$957,539)	10.1%
OREGON	JOSEPHINE COUNTY	Metropolitan	\$8,026,223	\$692,808	\$1,134,743	\$1,827,551	(\$6,198,671)	9.9%
IDAHO	CLEARWATER COUNTY	Rural	1,975,602	673,003	55,794	728,797	(\$1,246,805)	9.9%
OREGON	CURRY COUNTY	Micropolitan	4,079,267	248,385	461,177	709,562	(\$3,369,705)	9.7%
IDAHO	VALLEY COUNTY	Rural	\$3,117,263	\$741,952	\$188,017	\$929,969	(\$2,187,294)	9.4%
MONTANA	MEAGHER COUNTY	Rural	591,527	175,176	25,853	201,029	(\$390,498)	8.7%
OREGON	WHEELER COUNTY	Rural	\$792,187	\$109,050	\$27,061	\$136,112	(\$656,075)	8.7%
IDAHO	ADAMS COUNTY	Rural	1,045,046	196,721	47,198	243,919	(\$801,127)	8.6%
COLORADO	SAGUACHE COUNTY	Rural	\$2,328,000	\$981,313	\$87,862	\$1,069,176	(\$1,258,824)	8.6%
ALASKA	UNORGANIZED	Rural	\$6,923,581	\$0	\$2,744	\$2,744	(\$6,920,837)	NA

Measured as a share of their budgets, Custer and Idaho counties, Idaho would experience the most significant declines. While these counties will lose a smaller amount in absolute dollars than some counties, they would be disproportionately affected in terms of how important the payments are to local budgets. For example, Lane County, Oregon would lose the second largest dollar amount, but Lane County is a large metropolitan county and payment declines would make up a relatively smaller share of the county's budget.

The local government budget data used to calculate the relative budget impacts are based on U.S. Census of Governments data from FY 2007. The Census of Governments data are often a poor reflection of actual county budgets and are out of date. As a result, these should not be considered a fine-tuned reflection of actual budget impacts, but are used to indicate the counties that likely would be the most affected.

Overall, rural counties would lose a disproportionate share of payments, and would feel the effects of the declines more steeply. The chart below shows that counties with very small populations would see their payments decline by a larger share than counties with relatively larger populations.

### Percent Decline in County Payments for Counties with Small and Large Populations



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*Headwaters Economics* is an independent, nonprofit research group that works to improve community development and land management decisions in the West. For more information on County Payments, see: <http://headwaterseconomics.org/land/county-payments-research>.

## Data Sources

### Forest Service

United States Department of Agriculture Forest Service, Secure Rural Schools and Community Self-Determination Act. ASR 10-3 and ASR 18-1, FY 2013.

[http://www.fs.usda.gov/Internet/FSE\\_DOCUMENTS/stelprd3795403.pdf](http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprd3795403.pdf)

[http://www.fs.usda.gov/Internet/FSE\\_DOCUMENTS/stelprd3795424.pdf](http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprd3795424.pdf)

United States Department of Agriculture Forest Service, Secure Rural Schools and Community Self-Determination Act. Estimated 25-percent payments, FY2008-FY2013.

[http://www.fs.usda.gov/wps/portal/fsinternet!/ut/p/c4/04\\_SB8K8xLLM9MSSzPy8xBz9CP0os3gjAwhwtDDw9\\_AI8zPwhQoY6BdkOyoCAPkATIA!/?ss=119985&navtype=BROWSEBYSUBJECT&cid=null&navid=10130000000000&pnavid=1010000000000000&position=BROWSEBYSUBJECT&ttype=main&pname=S](http://www.fs.usda.gov/wps/portal/fsinternet!/ut/p/c4/04_SB8K8xLLM9MSSzPy8xBz9CP0os3gjAwhwtDDw9_AI8zPwhQoY6BdkOyoCAPkATIA!/?ss=119985&navtype=BROWSEBYSUBJECT&cid=null&navid=10130000000000&pnavid=1010000000000000&position=BROWSEBYSUBJECT&ttype=main&pname=S)

### BLM O&C

U.S. Department of Interior, Bureau of Land Management, Oregon and Washington Office. Official Payments Made to States. FY 2013. <http://www.blm.gov/or/rac/ctypaypayments.php>

U.S. Department of Interior, Bureau of Land Management, Oregon State Office. Receipts from O&C Grant Lands and Payments Calculated under O&C Act (50% of receipts). Personal communication, Lindsey Babcock.

### PILT

U.S. Department of Interior, Payments in Lieu of Taxes. County Payments, FY 2014.

<http://www.doi.gov/pilt/county-payments.cfm>

U.S. Department of Interior, Payments in Lieu of Taxes. Prior year payments by Agency. Personal Communication with Ryan Brown.

### County Budget Data-- Census of Governments

Local financial data is from the U.S. Census of Governments, conducted every five years. The latest was for Fiscal Year (FY) 2007. [www.census.gov/govs/](http://www.census.gov/govs/)

### Commercial Activities on Public Lands

Headwaters Economics produced two interactive maps that help users better understand the commercial activities on National Forests such as gross receipts, timber harvest sales, and timber cuts at a variety of scales.

<http://headwaterseconomics.org/land/commercial-activities-national-forests>